

Case: Phil Rosemann, et al. v. St. Louis Bank

4:14-CV-00983-LRR

Transcript of: Melba Aguilar

Date: July 17, 2015

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PHIL ROSEMAN, ET AL.,

PLAINTIFFS,

VS.

ST. LOUIS BANK,

DEFENDANT.

DEPOSITION OF

MELBA AGUILAR

JULY 17, 2015

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1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE EASTERN DISTRICT OF MISSOURI
3 EASTERN DIVISION
4

5 PHIL ROSEMANN, ET AL.,

6

7 PLAINTIFFS,

8

9 vs. Case No. 4:14-CV-00983-LRR

10

11 ST. LOUIS BANK,

12

13 DEFENDANT.

14

15 Deposition of MELBA AGUILAR, taken on behalf of
16 the Defendant, at Polsinelli, PC, 100 South Fourth
17 Street, Suite 1000, St. Louis, Missouri, 63102, on
18 July 17, 2015, between the hours of 3:48 p.m. and
19 4:17 p.m., before Tracey Aurelio, RDR, CRR, MO-CCR
20 #973, IL CSR #084.003465.

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1 would be secured by those assets?

2 **A** Yes. And I did check some of those on the
3 Internet.

4 **Q** Okay. And what did you check, or how did
5 that --

6 **A** I looked up all of the names that I had, and
7 I found them all except for one, and they sounded
8 like they were very good. But I don't know who
9 wrote up that.

10 **Q** Other than Internet research, did you do any
11 other?

12 **A** No. That's it.

13 **Q** You didn't attempt to contact anyone over
14 there?

15 **A** No, I didn't.

16 **Q** And you never asked for any references or
17 anything else or referrals for anyone else who were
18 investing in the BLP?

19 **A** No, I didn't.

20 **Q** Do you recall, other than that research,
21 reviewing any documents before you made your first
22 investment?

23 **A** Just repeat that.

24 **Q** In addition or outside of -- excluding the
25 research, do you recall looking at any other

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1 documents or anything else before making that first
2 investment?

3 **A** No.

4 **Q** Did you think that the interest rate you
5 were going to receive seemed high?

6 **A** It was compared to the CDs. So, you know,
7 we thought, well, you know, that was going to be
8 good for us.

9 **Q** Did you ask Marty how the interest rates
10 were so high?

11 **A** Well, that's when he said that they couldn't
12 borrow money over there, and so 30 percent was a
13 good deal for them.

14 **Q** And similar question to what I asked
15 Mr. Aguilar. Did you know that there would be other
16 investors?

17 **A** Not exactly. He would say sometimes he had
18 received so much money to invest, but I really don't
19 know who gave it to him or exactly what it was for.

20 **Q** Did you know that your money would be
21 grouped together with other customers?

22 **A** No.

23 **Q** Did -- how did your IRA funds get sent over?
24 Was it the same process with Mr. Aguilar? Was that
25 what we discussed earlier?

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1 **Q** It all went through Sigillito?

2 **A** Yes.

3 **Q** And similar to what I asked Mr. Aguilar, you
4 don't know -- you don't have any personal knowledge
5 that St. Louis Bank knew what happened to the money
6 that was supposed to go to the BLP?

7 **A** No. In fact, I didn't even know St. Louis
8 Bank had anything to do with it until recently.

9 **Q** Okay. So in an attempt to condense this,
10 you wouldn't have any personal knowledge that
11 St. Louis Bank knew of the Ponzi scheme?

12 **A** No.

13 **Q** You wouldn't have any knowledge that
14 St. Louis Bank knew that the BLP investments were
15 fraudulent?

16 **A** No.

17 **Q** You wouldn't have any reason to believe that
18 St. Louis Bank managed, directed, or operated the
19 BLP?

20 **A** No.

21 **Q** And the same thing. You wouldn't know
22 that -- you wouldn't have any personal knowledge
23 that St. Louis Bank managed, operated, or directed
24 Martin Sigillito to -- in his operations of the BLP?

25 **A** No.

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1 **Q** The same question. You wouldn't know that
2 St. Louis Bank directed, managed, or instructed
3 Martin T. Sigillito and Associates in any of their
4 operations related to the BLP?

5 **A** No.

6 **Q** You would have never hired St. Louis Bank to
7 do any investing for you?

8 **A** No.

9 **Q** You never hired St. Louis Bank to manage any
10 of your investments?

11 **A** No.

12 **Q** You would have no reason to believe that
13 St. Louis Bank knew what investments you were
14 authorizing?

15 **A** No. I didn't authorize any, so

16 **Q** Okay. And you didn't authorize them. How
17 were they authorized?

18 **A** Pardon?

19 **Q** How were your investments authorized if you
20 didn't authorize any?

21 **A** Oh, I was just talking about St. Louis Bank.

22 **Q** And you didn't ask -- Mr. Aguilar said he
23 didn't. You didn't ask for any financial statements
24 for Derek Smith or his companies?

25 **A** No, I didn't.

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1 **Q** Or any tax returns?

2 **A** No.

3 **Q** Or any property tax records?

4 **A** No.

5 **Q** No title insurance policies?

6 **A** No.

7 **Q** And you never asked Mr. Sigillito to see any
8 cancelled checks, wire transfers, or any bank
9 statements?

10 **A** No.

11 **Q** And you never requested, before or during
12 your investments, any appraisals?

13 **A** No.

14 **Q** You never requested any certified financial
15 statements for Mr. Smith or any of his companies?

16 **A** No.

17 **Q** Outside of your research, you didn't do
18 anything to confirm land records or ownership of any
19 of those properties; is that correct?

20 **A** No.

21 **Q** And why didn't you think to ask for any of
22 these, or what was your reason for not asking for
23 any of this information?

24 **A** Just because we simply trusted Marty.

25 **Q** And then kind of the same question. Do you

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1 sound investment.

2 **Q** And did you think to possibly have a
3 financial advisor or an accountant look at it?

4 **A** No. Because, again, we didn't think to do
5 that because we just trusted this man. We just --
6 that's why we didn't do it. Like I said, if it'd
7 have been somebody that came off the street, I would
8 have checked it out.

9 **Q** And would these be the properties that you
10 looked at online when you were doing your research?

11 **A** No. These were different ones.

12 **Q** So you may have been given different
13 properties to look at?

14 **A** But I guess it was later years.

15 **Q** Okay. So you don't recall if you may have
16 done any research before that first investment?

17 **A** No. I know I didn't.

18 **Q** Okay. Did you ever think to have anyone go
19 and check over in England and investigate those
20 properties?

21 **A** No.

22 **Q** And outside of when you searched online and
23 looked up those properties, did you do any more or
24 any other Internet research throughout your
25 investment time?

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1 **A** No. Just those.

2 **Q** Did you ever do any investigation of Derek
3 Smith when you were doing your research?

4 **A** No.

5 **Q** What about one of his companies, Distinctive
6 Properties, or any of the other companies that he
7 operated? Did you get a chance to research those?

8 **A** There was probably some. I looked up that
9 nursery was one. And there was a hotel, I guess,
10 where they were booked up where they had the
11 weddings there, you know. That was kind of what
12 Vogel said, but I really had already done that. And
13 it sounded like, man, they were just doing great.

14 **Q** And so did you review the due diligence
15 letter that was prepared by Vogel?

16 **A** Yes. I read it.

17 **Q** And what did you think from that letter?

18 **A** That gave us more peace of mind, you know,
19 that everything was going well.

20 **Q** Okay. Did that help to assure you to
21 continue investing with the BLP?

22 **A** I don't know if we invested any more after
23 that, anyway. I don't think we had any more money
24 to invest.

25 **Q** Do you recall ever asking for any status

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1 reports or any type of written report as to the
2 properties?

3 **A** No.

4 **Q** You never asked for any updated financial
5 statements for the borrowers, did you?

6 **A** No.

7 **Q** And you never asked for any copies of
8 invoices, records, or expenses on the properties?

9 **A** No.

10 **Q** Nothing to show what the money was being
11 used for that was being invested?

12 **A** No.

13 **Q** After the FBI notified you of the scheme or
14 the Ponzi scheme, did you have any contact with
15 anyone else regarding that? Excluding your
16 attorneys, did you have any contact with anyone else
17 regarding the scheme?

18 **A** No. Just Marty.

19 **Q** You didn't contact St. Louis Bank or any of
20 the other banks that --

21 **A** No.

22 **Q** And would you happen to recall how much your
23 damages are that you are seeking in this lawsuit?

24 **A** Well, I would at least like to get back the
25 amount we put in. I would love to get the interest,

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RICHARD AGUILAR

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Case No. 4:14-CV-00983-LRR

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11 ST. LOUIS BANK,

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13 DEFENDANT.

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15 Deposition of RICHARD AGUILAR, taken on behalf
16 of the Defendant, at Polsinelli, PC, 100 South
17 Fourth Street, Suite 1000, St. Louis,
18 Missouri, 63102, on July 17, 2015, between the hours
19 of 1:28 p.m. and 3:47 p.m., before Tracey Aurelio,
20 RDR, CRR, MO-CCR #973, IL CSR #084.003465.

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1 **Q** Well, let's start with IRAs.

2 **A** I expected the bank to do their contractual
3 fiduciary duty to send the money to where I had
4 requested for it to be done.

5 **Q** And what about non-IRAs?

6 **A** I never gave that a thought.

7 **Q** Okay. Now, you authorized Sigillito to make
8 these transfers for you from your IRA?

9 **A** I believe that I signed something for him to
10 do that at that point. I would -- I had gotten some
11 papers -- well, okay. I did sign some papers that
12 did authorize him to do certain things.

13 **Q** And with that authorization, your
14 instructions to Sigillito was to invest those funds
15 over in the BLP?

16 **A** That is correct. That never changed. That
17 was always the -- my investments.

18 **Q** So from that point, once you made that
19 investment, you gave him the authority to take money
20 and transfer it, it was your understanding that that
21 was gone. It was over in the BLP being invested?

22 **A** That was my understanding.

23 **Q** And from your loan is where you would
24 receive your interest payments, and to your
25 knowledge, your money was always there and available

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1 for you to get at in the -- any loan period?

2 **A** To my knowledge, it was, yes.

3 **Q** Now, once your money was transferred to

4 Sigillito's accounts, there was no way for you to
5 track where it went or you had no clue where your
6 money went at that time other than just trusting
7 that he was sending it to the BLP?

8 **A** Let's just say that I never tracked any of
9 it. So I don't know any -- I don't have any idea
10 what happened in those bank transactions until after
11 the criminal trial.

12 **Q** Did you have any signatory authority for any
13 of the BLP accounts? Could you as an investor --
14 did you have any authority to sign or to do anything
15 with any accounts that were operated by the BLP?

16 **A** No. As far as it -- I had no authority. I
17 had no authority. The only thing we went by, we
18 went by whatever the terms of the contract were.

19 **Q** Do you have any information that St. Louis
20 Bank knew what happened to the money after it was
21 supposed to go over to the BLP?

22 **A** No. I have no knowledge of that.

23 **Q** Did you ever have any relationship or
24 contact with St. Louis Bank?

25 **A** No.

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1 Sigillito, you know, and I had no idea what their
2 relationship was other than I know that he banked
3 there, that he had his -- but, you know, what I came
4 to find out later after the criminal trial, that
5 there was an IOLTA bank account, and he had a
6 personal bank account. I don't know anything about
7 how those transactions work. And I'm sorry I can't
8 answer that question. I don't know.

9 **Q** That's a perfectly fine answer.

10 You just mentioned the IOLTA account.
11 Did you have any knowledge of Sigillito's IOLTA
12 account prior to the criminal trial?

13 **A** No, I did not.

14 **Q** You wouldn't have talked to anyone at
15 St. Louis Bank regarding any of your investments or
16 the BLP?

17 **A** No. I had no reason to contact them.

18 **Q** Or any of Sigillito's accounts at St. Louis
19 Bank?

20 **A** No.

21 **Q** Since you had no reason to contact St. Louis
22 Bank and your only knowledge of them was that
23 Sigillito had a bank account there or had bank
24 accounts there, you wouldn't have relied on
25 St. Louis Bank to monitor what was going on with

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1 your funds; is that correct?

2 **A** Well, I had no -- you know, I had no
3 knowledge. You know, everything that I'd say would
4 be just pure conjecture, so I don't know.

5 **Q** Is it fair to say that you don't hold
6 St. Louis Bank responsible for your decision to make
7 your investment?

8 **A** Well, I don't know what their relationship
9 is -- was between those individuals. I can't answer
10 that question.

11 **Q** Well, for your -- the reasons that you made
12 your investment, it wouldn't have been impacted at
13 all by St. Louis Bank?

14 **A** Well, I wouldn't think so. You know, I'd
15 say -- you know, I wouldn't think so unless there
16 was some, something that they did between them that
17 that was required, and I don't know what that would
18 be.

19 **Q** When you made your investments and
20 throughout the time period where you did rollovers
21 and made additional investments, do you recall ever
22 asking to see financial statements for Mr. Smith or
23 for any of his companies?

24 **A** No.

25 **Q** No one stopped you from or prevented you

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1 from asking for any additional information like
2 that; is that correct?

3 **A** No. I never -- I never had occasion for
4 that.

5 **Q** And why didn't you ask for financial
6 statements or anything to support how successful the
7 borrower could be or was?

8 **A** Well, as I suggested earlier, everything was
9 floating along pretty well. We were getting our
10 interest as promised and under the contract. And we
11 had no reason to question it at that time.

12 **Q** How about before you made that first
13 investment? Did you think to ask for any financial
14 statements or anything to support what Mr. Sigillito
15 was telling you about the --

16 **A** No. I did not ask. I didn't ask anything
17 about that at that time. I trusted him.

18 **Q** If you could have seen a financial statement
19 and it would have shown that the BLP wasn't as
20 successful or either Derek Smith and his companies
21 weren't as profitable or successful as Sigillito was
22 representing, would you have still made your
23 investments?

24 **A** Well, you know, that asks for a hypothetical
25 question. I don't know what I would have done at

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1 sense of security that your money was actually
2 somewhere?

3 **A** Well, sure.

4 **Q** You never received -- your statements didn't
5 just show -- your rollover statements didn't just
6 show only the interest gained. They would always
7 show that principal amount, too?

8 **A** Yes. The best I recall, they all showed the
9 principal amount.

10 **Q** Okay. During your time -- and actually, any
11 period from your initial investment throughout, did
12 you ever receive or ask to see any tax returns for
13 Mr. Smith or any of his entities?

14 **A** No.

15 **Q** And now this additional information, you
16 never -- Sigillito or no one ever told you, hey, you
17 can't get any additional information regarding your
18 investments or regarding the BLP; is that --

19 **A** There was never an occasion to. There would
20 never have -- the occasion never arose that I had
21 asked that question.

22 **Q** Is there a reason you never thought to
23 possibly ask for tax returns for the BLP entities?

24 **A** No. There is no reason. There was no
25 reason to do that.

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1 **Q** Do you believe that if you were able to see
2 tax returns, that they could give you some sort of
3 idea on the financial situation for the BLP
4 investment companies, I'll call them?

5 **A** Well, reasonably, I would think so. You
6 know, they would start to show some information that
7 I could hang onto if I saw those, yes.

8 **Q** Did you receive any sort of -- throughout,
9 did you start receiving anything that showed any
10 kind of concrete financial numbers for Derek Smith
11 or any of his companies?

12 **A** No. I never -- there was no information
13 like that.

14 **Q** And how we were just talking about the tax
15 returns and that being a way to possibly see how
16 profitable or how much money or what that company is
17 doing, if there appeared to be discrepancies between
18 that and what was represented to you, would that
19 have affected your future investments?

20 **A** Well, you know, obviously, I would think it
21 would. But you know, here again, I don't know what
22 it would do. You know, we're talking about
23 something hypothetically here.

24 **Q** The fact that you were still receiving
25 interest payments, if the tax returns or something

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1 would have come back showing that they are in the
2 red, the companies were in the red but you were
3 still receiving your interest payments, would that
4 have led to any hesitation in future investments?

5 **A** I would think it would, obviously, you know,
6 if such a thing happened. But again, here we are
7 talking about something hypothetical. What I would
8 have done at that very instance, you know, I don't
9 know. Obviously, the logical thing would be, yes,
10 it would present some sort of alarm.

11 Q And I can be kind of completely
12 straightforward here. Basically, what I'm looking
13 for is what factors kind of go into your thought
14 process in continuing your investments here? What
15 of these items or what things would be red flags to
16 you? What kind of triggered this may not be an
17 investment that I want to continue doing?

18 MR. VITULLO: Objection as to form.

19 Compound question. Lack of foundation.

20 MR. CARSWELL: Off the record.

21 (A discussion was

22 record.)
23 Q (By Mr. Carswell) Property tax records di

24 you -- property tax records --

— 103 —

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1 **Q** -- did you get any chance to request any of
2 those for any of the properties that were owned by
3 the BLP?

4 **A** No, I did not.

5 **Q** Did you ever think to ask for any property
6 records?

7 **A** No, I didn't.

8 **Q** Do you -- do you believe that -- did you
9 know any property records would have given you a
10 better idea on who actually owned the properties?

11 **A** Well, obviously, it would to who, you
12 know -- it would have told me that, who owned the
13 properties.

14 **Q** Would the fact -- would Derek Smith or his
15 entities not owning the properties, would that have
16 been a factor in your decision to continue investing
17 or to initially invest with them?

18 **A** Obviously, I wouldn't -- you know,
19 obviously, that would have some effect on it. I
20 would have to give that consideration, you know, if
21 such a thing were to happen.

22 **Q** Just kind of a few more questions on the
23 same line. How about appraisals? Did you think to
24 at any point get appraisals on properties?

25 **A** No, I didn't.

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1 **Q** Did you ever receive anything that showed
2 you the property values or the estimated property
3 values at any point?

4 **A** No.

5 **Q** Do you believe that would have given you a
6 better idea of whether or not Derek Smith or his
7 entities could repay the loans that you were making?

8 **A** I would think that it would -- I think it
9 would certainly have some effect on it, yes. On me.
10 Not on it.

11 **Q** Okay. If the properties were valued at less
12 than what was being represented to you, if they were
13 valued at much less than what was being represented
14 to you, would you have made your investment
15 regardless of the promise of the high interest
16 rates?

17 **A** It would certainly, you know, certainly have
18 been a big factor in it, I would think.

19 **Q** Did you ever ask to see any of the wire
20 transfers or any cancelled checks from any of the
21 payments that were supposed to be made from
22 Sigillito to the BLP? Wire transfers?

23 When you would make your investments
24 with Sigillito, at some point those funds were
25 supposed to go over to the BLP. Did you ever have

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1 the opportunity to ask for any copies of wire
2 transfers --

3 **A** No. I had no occasion to do that.

4 **Q** -- or checks? That's information that
5 you -- again, he didn't stop you or there was
6 nothing that prevented you from asking him for any
7 sort of confirmation that your funds were sent over
8 to the BLP?

9 **A** No. There was nothing -- you know, there
10 was nothing there to stop me to ask for them, but I
11 never had -- I never had a need for that.

12 Everything was, again, as I suggested earlier,
13 everything was just moving over like an oiled
14 machine.

15 **Q** If you were able to see those actual
16 transfers that showed where your funds went to after
17 it was given to Sigillito, would that have caused
18 hesitation or stopped you from continuing your
19 investments?

20 **A** Well, it just depends. You know, it
21 certainly would -- you know, it certainly would give
22 me something to look at and something to think
23 about, and depending on what, you know, at the time,
24 obviously, it would have some effect.

25 **Q** If you were able to see that those checks

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1 were being sent to other investors, would that have
2 made you pull your investments or stop you from
3 investing?

4 **A** Absolutely. You know, I would, you know,
5 think so. People weren't thinking that, obviously.

6 **Q** Did you ever have a chance to see any
7 recorded deeds, deeds of trust, or mortgages for any
8 of those BLP properties?

9 **A** No.

10 **Q** Did you ever get a chance to see any land
11 records or any records of ownership for any of those
12 BLP properties?

13 **A** No.

14 **Q** Is there a reason why you didn't ask for
15 anything that -- land records or anything that
16 showed who actually owned those properties?

17 **A** No. There was no reason for me to request
18 it.

19 **Q** Did you ever ask Mr. Sigillito how he --
20 what information he had to support the investment?

21 **A** No.

22 **Q** You said there is no reason for you to ask
23 about land records concerning the ownership of the
24 properties. Was that because you put your faith in
25 Mr. Sigillito? Is that where we are at there?

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1 want you to take a look at.

2 (Exhibit 213 was marked for
3 identification by the court
4 reporter.)

5 Q (By Mr. Carswell) And this document is
6 marked as Defendant's Exhibit 213. And it's a
7 letter that looks like it's from you to Richard
8 Markow at Allegiant Trust Company. Does this look
9 familiar to you?

10 A Well, I see my signature on it. But let me
11 read it. I didn't type this letter. That's for
12 sure. I don't see a date on here on this letter.
13 That was typed by someone. I didn't. I know that
14 we didn't type this letter. It was something that
15 was sent for me to sign, but why isn't there a date
16 on here?

17 Q Does that appear to be your signature down
18 there?

19 A That's my signature on there.

20 Q You believe this was typed up and given to
21 you to sign?

22 A Yeah. That was typed up and given to me to
23 sign. And I don't know -- I'm trying to see because
24 that wasn't typed by -- what's her name?

25 MRS. AGUILAR: Liz.

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1 **A** Liz Stajduhar -- Stajduhar. I don't know
2 who typed this letter, MMM. And I signed it. What
3 I'm trying to figure out is if something was sent
4 after the -- right before they got ready to boot him
5 out. And I don't recall the letter itself. That's
6 my signature, however.

7 Q (By Mr. Carswell) Okay. I'm just going to
8 briefly read through it. This letter appears to
9 give -- in the second paragraph regarding Martin T.
10 Sigillito, it asks that you, "To construe his
11 authority to direct those investments as broadly as
12 possible, including but not limited to" --

13 (The court reporter asked for
14 clarification.)

15 MR. CARSWELL: Take all that out. I'm going
16 to have to just read the whole thing, I guess, so
17 that you can -- strike that.

18 "This letter will authorize you
19 and/or any designated member of your staff to
20 receive instructions concerning any of my monies
21 held by your institution from my attorney, Martin T.
22 Sigillito."

23 And then goes further and says, "I
24 would ask you to construe his authority to direct
25 those investments as broadly as possible, including

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1 but not limited to the ordering of the transfer of
2 funds to any party, domestic or international, for
3 the purpose of entering into investments on behalf
4 of my IRA account or accounts."

5 Does that appear to be accurate?

6 **A** Yeah. That's accurate, but that's something
7 that -- I know for a fact this is something that I
8 did not sign in the beginning when Allegiant -- when
9 Allegiant became -- when I made my investments with
10 Allegiant and I authorized him to be -- authorized
11 them to be their trust bank. Let's put it that way.

12 And this must have been something
13 after the fact, but how long ago because there's no
14 date on here, and you would think that Allegiant
15 would have stamped it in on a date, which makes me
16 suspect that this letter, which I signed -- I have
17 no compunction that it's not my signature.

18 **Q** Is this your understanding of the authority
19 that was given to Sigillito to manage your funds?

20 **A** Well, how can I answer that? This letter
21 obviously says that. And I signed it, but I would
22 have liked to know when the bank stamped it in, at
23 what point, which is not shown on here. Then I
24 could more definitively talk about this.

25 **Q** But at some point there was a broad

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1 authority that would have been given to
2 Mr. Sigillito? You just don't recall when that
3 would have been?

4 **A** No. I don't recall when that would have
5 been.

6 MR. VITULLO: Objection as to form. Lack of
7 foundation. Off the record.

10 **A** As suggested, I really don't recall the
11 letter, but I signed it. There is no question about
12 that's my signature right there.

13 Q (By Mr. Carswell) So you do recall -- or you
14 can say that that accurately depicts your signature
15 on this document?

16 A Yes.

17 Q You just don't recall when the document was
18 done, or do you not recall the document itself?

19 A I don't recall the document itself, but you
20 know, obviously, I must have signed it. The only
21 thing that I question about it is why there is not a
22 date on here, either stamped by Allegiant Bank which
23 normally all the banks do. Anything from the mail
24 that comes in, you know, banks are notorious about
25 putting their stamps on it and, you know, when it

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1 came about, but obviously I signed that. That's all
2 I can tell you about that.

3 Q What's your understanding of the level of
4 authority you gave to Mr. Sigillito to make
5 investments and to authorize him to make investments
6 on your behalf?

7 A He was authorized to, what we understand
8 that we had, was that he was to take all our money
9 and invest it, take it and make sure that it got
10 invested, as in the BLP program in England. That's
11 what our understanding was.

12 Q Did he serve as a financial advisor for you?

13 A Huh?

14 Q Did Sigillito serve as a financial advisor
15 for you?

16 A No. He only served as -- I had no other
17 dealings with him other than this BLP program.
18 Nothing else. Nor did I ever pay him for it and for
19 any services. You know, whether or not he was -- my
20 understanding that for his services he was
21 getting -- he was collecting a fee from the
22 borrower, which is customary.

23 Q All right. We are all done with that one.

24 (Exhibit 214 was marked for
25 identification by the court

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1 reporter.)

2 Q (By Mr. Carswell) I'm going to show you what
3 is being marked as Defendant's Exhibit 214, and it's
4 a private placement investment direction that's
5 dated in 2004. It appears to be May 9 of 2004. And
6 if you can take a quick look at that.

7 A It was a prefilled for me. That printing
8 there was done by somebody else other than myself.
9 I'm talking about the filling in. That's my
10 signature, however. On 5/12, I signed it.

11 Q So that's your signature?

12 A Yes.

13 Q But the other parts where it says account
14 owner's name and all that information, that was
15 filled in for you?

16 A I didn't have to write that in at all.

17 Q And the signature on the bottom of the page
18 appears to be your signature?

19 A Yeah. That's my signature. There is no
20 question about that.

21 Q Do you recall this document?

22 A I vaguely recall this document, yes.

23 Q And next to where it says, "Please read,
24 confirm, and initial the four following
25 representations," those would be your initials?

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1 **A** Those are my initials there.

2 **Q** And on the second page -- or you can tell me
3 whenever you have had a chance to look through this.
4 On the second page, Paragraph H, where it lists out
5 Martin T. Sigillito and Associates Limited and it
6 has his address and then agent name, Martin T.
7 Sigillito, do you see that section?

8 **A** Yes, I do.

9 **Q** And right above that, it says, "I choose to
10 use the following service company or escrow agent to
11 service all aspects of this investment." Does that
12 accurately depict what it says there?

13 **A** Yes. That's accurate. Yes.

14 **Q** So again, this would have been giving
15 authority for Martin Sigillito as an agent for
16 Martin T. Sigillito and Associates to manage your
17 investment with Millennium Trust?

18 **A** Well, it just says here, "I choose to use
19 the following service company or escrow agent to
20 service all aspects of this investment. (Do not
21 indicate Millennium Company, LLC.) If I have not
22 completed this section, I understand that it is my
23 sole responsibility to service all aspects of this
24 investment."

25 Yes. I understand that I -- yes. I

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1 understand that.

2 Q And with that again, that would be giving
3 Martin T. Sigillito and Associates the ability to
4 manage and make those investments for you?

5 **A** That would -- I would think that it would
6 indicate that.

7 Q Do you understand that to mean that
8 Mr. Sigillito could take actions on your behal
9 without you having to direct him to do so?

10 **A** I wouldn't, you know, I wouldn't think it
11 was that. I would think it has to come through me a
12 little bit to ask me, you know. Not invest in BLP,
13 as an example. If he is going to invest in XYZ
14 Company, that he would have to come to me. And that
15 called for under the contract -- which Millennium
16 got -- specifies that this money went to the BLP
17 program and to Mr. Derek -- Mr. Smith, I should say.

18 Q And that's a contract that was between who?

19 **A** The contract was between -- it was signed by
20 Derek Smith, between Derek Smith and ourselves --
21 and myself.

22 (Exhibit 215 was marked for
23 identification by the court
24 reporter.)

25 Q (By Mr. Carswell) And I will show you one

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1 more document. This one is marked as Defendant's
2 Exhibit 215, and it's a note servicing agent
3 agreement. It looks to be between yourself and
4 Martin T. Sigillito and Associates, and it's dated
5 May 9 of 2004. And if you go to the bottom of
6 the second page --

7 **A** Yeah. This is --

8 **Q** -- there appears to be your signature at the
9 bottom; is that --

10 **A** Yes. That's my signature. And this was,
11 again, all filled out by somebody else other than
12 myself. That's something, apparently, that he
13 mailed to me because I see my note up here that I
14 mailed it back to him on the 13th of May.

15 **Q** And again, on this document, the -- for the
16 part you can see of it -- it's poorly copied -- it
17 again shows Martin T. Sigillito as your agent. And
18 that's down on the bottom left-hand side.

19 **A** Yes. That is correct.

20 **Q** Do you recall at any point revoking
21 Mr. Sigillito or prior to the end of the BLP program
22 revoking his authority as your agent to make any
23 investments on your behalf?

24 **A** No. I don't recall ever revoking it.
25 However, you have got to remember that these

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1 contracts ran from year to year. This was -- here
2 is one here. This one here was for the year -- the
3 one previous was on 2004. And this one here, it's
4 the same one. Oh, yeah. Maturity date 2005. I
5 think it died at the end of the contract year.

6 **Q** But again, you --

7 **A** But I did sign it.

8 **Q** Okay. You don't recall any point where you
9 limited or prevented Mr. Sigillito from taking
10 action on your behalf?

11 **A** No. I did not. I never revoked this
12 contract, this particular authority. I don't recall
13 ever revoking it, any of it.

14 **Q** Moving on from this stuff, you mentioned a
15 little earlier that you did not pay Mr. Sigillito to
16 do any of this investment or to act as your
17 attorney, but he received a fee for each loan. Do
18 you recall that?

19 **A** There is no authority here -- there is no
20 authority under our contract anywhere where we
21 authorize any fee for my loan. That was to be paid
22 by Derek Smith.

23 **Q** So you were under the impression that any
24 fee that were to be deducted would be paid by Derek
25 Smith out of the loan proceeds you would send over?

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1 **Q** And did you receive any supporting
2 information or any other documentation to support
3 these numbers?

4 **A** No. There was no other -- I never got to
5 see any of the supporting documents.

6 **Q** Did you have an accountant or a financial
7 advisor review this information?

8 **A** No.

9 **Q** Is there a reason why not?

10 **A** No. There's no reason for it. There's no
11 reason for why not. I didn't have any reason to get
12 one --

13 **Q** Okay.

14 **A** -- or not to get one, either.

15 **Q** All right. And you mentioned that shows the
16 amount of collateral. Did you believe that your
17 loans were secured by this collateral?

18 **A** Yes.

19 **Q** And because this schedule is attached to
20 this loan agreement, you believe these one, two,
21 three, four, five, six properties were what was the
22 supporting collateral or the secured collateral for
23 your loan; is that correct?

24 **A** Yes. That's what they sold it on. That's
25 also what they -- they sold it on, I guess. They

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1 liabilities for Derek Smith, that any of these
2 properties were actually owned by Derek Smith? You
3 weren't given anything to show you that Magpie --

4 **A** No.

5 **Q** -- Magpie Cottage was actually owned by
6 Derek Smith?

7 **A** No. There was no information like that.

8 **Q** Did you do any research or look into the
9 interest rate to see if that was a legal interest
10 rate?

11 **A** No. I didn't pursue that. As I told you
12 before, we lend -- when I worked with BN, every
13 weekend -- at that time we carried \$800 million in
14 cash. And we would lend that out from -- for
15 Saturdays and Sundays, and I saw some rates, you
16 know, as high as 50 percent there.

17 **Q** Moving along, so you don't need that one
18 anymore.

19 **A** Okay.

20 **Q** Do you personally have any information that
21 St. Louis Bank knew that Martin Sigillito was
22 operating a Ponzi scheme?

23 **A** No. I didn't know he was operating a Ponzi
24 scheme until the FBI knocked on my door in 2010.

25 **Q** And you never paid -- I may have asked you

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1 this. I apologize if I did. You never hired
2 St. Louis Bank to manage any of your investments?

3 **A** No.

4 **Q** Did you ever yourself go over to England to
5 view any of the properties?

6 **A** No, I did not.

7 **Q** Did you ever send anyone to go over and view
8 the properties?

9 **A** No, I did not.

10 **Q** Did you ever do any sort of investigations
11 as to the properties over in England?

12 **A** No. Until the only time that I found any
13 information about it is when we got the due
14 diligence report.

15 **Q** The Vogel report?

16 **A** The Vogel report.

17 **Q** Before you would make each investment, you
18 wouldn't have done any other sorts of investigation
19 before rolling your investments over or putting in
20 new money?

21 **A** No. I did not do any of that.

22 **Q** And you didn't do any investigations on
23 Derek Smith or any of his companies?

24 **A** No, I did not.

25 **Q** And that would be even when you would renew

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1 or roll over money, you still didn't do any
2 investigations at that point?

3 **A** No, I did not.

4 **Q** Now, you mentioned you received statements
5 from, I believe it would have been Enterprise Bank
6 back where you would get your IRA statements that
7 would show your investments and what you received,
8 and those were quarterly and yearly. Did you ever
9 get any statements or anything from the BLP itself?

10 **A** No.

11 **Q** Did you ever get any statements from
12 Sigillito?

13 **A** No. I don't recall ever receiving any
14 statements from them.

15 **Q** Do you ever recall asking for any statements
16 from Sigillito?

17 **A** No, I did not.

18 **Q** And how about from the BLP? Do you recall
19 asking him to produce any statements from the BLP
20 itself?

21 **A** No, I didn't.

22 **Q** Did you do anything to monitor your
23 investments outside of reviewing your IRA
24 statements?

25 **A** Well, you know, I keep track of everything

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1 that I -- you know, all of my investments. And as
2 to their growth, obviously, and the interest that I
3 received, we, you know, kept track of those because,
4 you know, recorded those in the computer files.

5 **Q** Did you ever get any bank statements from
6 Sigillito for the account that your money was going
7 through?

8 **A** No.

9 **Q** Do you think this is information you could
10 have asked for from Sigillito?

11 **A** Well, I never gave that any thought. I
12 never asked for it. I assumed that if I wanted to,
13 I could have.

14 **Q** Did you ever get any written reports or any
15 status reports for any of the hotels?

16 **A** No, I did not.

17 **Q** And you were given the impression that there
18 was going to be some remodeling and some
19 construction work for the hotels, correct?

20 **A** Yes. Either that or purchase of that hotel
21 in its entirety or the property, whichever the case
22 may be.

23 **Q** From the period from 2001 to 2010, did you
24 get any updates on the successful purchase of any of
25 the hotel properties?

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1 any of the invoices or expenses for any of the
2 properties?

3 **A** No.

4 **Q** And I believe we established you've had no
5 loans or no accounts with St. Louis Bank?

6 **A** No, I did not.

7 **Q** And you would have never spoken to anyone at
8 St. Louis Bank regarding any of your BLP loans?

9 **A** No.

10 **Q** And you would have never asked St. Louis
11 Bank to confirm the particular use of any of your
12 investment funds that went through St. Louis Bank;
13 is that correct?

14 **A** No. Yes, that's correct. No, I didn't ask.

15 **Q** And you never asked St. Louis Bank to
16 provide you with any copies of the checks that
17 Sigillito was supposed to send for your money to the
18 BLP; is that correct?

19 **A** That's correct.

20 **Q** And you wouldn't have any information to
21 show that St. Louis Bank knew exactly what
22 investments at what time you approved. Would that
23 be fair?

24 **A** Say that again.

25 **Q** Bad question.

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1 fraudulent scheme. Had you had any further contact
2 with Sigillito?

3 **A** Yes. I saw him afterwards.

4 **Q** Did you have any communication with
5 Sigillito regarding the BLP after finding out?

6 **A** Yes. Casually.

7 **Q** Did you express any concern in your
8 investments?

9 **A** Certainly. And yes, yes, yes, we did.

10 **Q** And what was his response to those concerns?

11 **A** That this was going to turn -- that this was
12 going to be okay. That it was -- that he always
13 proclaimed his innocence, obviously, and that there
14 was no wrongdoing.

15 **Q** You don't have any personal knowledge that
16 St. Louis Bank took any part in the Ponzi scheme, do
17 you?

18 **A** No, I don't.

19 **Q** You don't have any personal knowledge that
20 St. Louis Bank knew about the Ponzi scheme at all,
21 do you?

22 MR. VITULLO: Objection as to form.

23 You can answer.

24 **A** I wouldn't have no -- you know, I would have
25 no idea. I would have no idea anything about them

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1 knowing whatever. I'm not privy to anything they
2 had.

3 Q (By Mr. Carswell) You don't have any
4 personal knowledge that St. Louis Bank directed,
5 operated, or managed the British Lending Program?

6 A No. I don't have any idea.

7 Q You have no personal knowledge that
8 St. Louis Bank directed, operated, or managed Martin
9 T. Sigillito and Associates, would you?

10 A No. No. I don't have any idea.

11 Q You wouldn't have any personal knowledge
12 that St. Louis Bank knew that the BLP loans were
13 fraudulent?

14 A No.

15 MR. VITULLO: Objection as to form.

16 You can answer.

17 Q (By Mr. Carswell) Did you take any
18 additional steps after talking to Sigillito and him
19 assuring you that it would work out? Did you take
20 any additional steps to try to secure your money?

21 A Did I take any additional steps to try to
22 secure my money?

23 Q Outside of telling him your concerns, was
24 there anything else that you did to try to get your
25 money?

ROSEMANN 000021

Mr. Richard E. Markow, President
Allegiant Trust Company
15061 Manchester Road
Ballwin, MO 63011

In Re: Any and All IRA Accounts

Dear Mr. Markow:

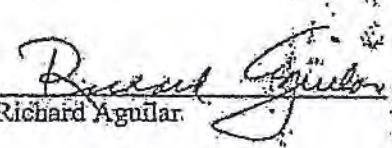
This letter will authorize you and/or any designated member of your staff to receive instructions concerning any of my monies held by your institution from my attorney, Martin T. Sigillito.

I would ask you to construe his authority to direct those investments as broadly as possible, including but not limited to the ordering of the transfer of funds to any party, domestic or international, for the purpose of entering into investments on behalf of my IRA account or accounts.

This authorization will remain in full force and effect until such time as I may notify you in writing that it has been withdrawn.

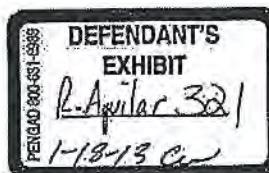
If you have any questions at any time, please feel free to contact me.

Very truly yours,


Richard Aguilar

mmmm/

ROSEMANN 000021



ROSEMANN 001534



MILLENNIUM TRUST
COMPANY, LLC

820 Jorie Blv
Suite 42
Oak Brook, IL 60521
Phone: 630.368.5666
Fax: 630.368.5665

www.mtrustcompany.co

PRIVATE PLACEMENT INVESTMENT DIRECTION

Account Owner's Name: Richard Aguilar

Millennium Trust Company, LLC Account No. 90-B402-015

Daytime Phone No. (_____) _____

Date: 9/9/2004 Specific Name of Investment to be Purchased: Princess Hotel Promissory Note
Due 5/8/05

Type of Investment: Stock Limited Partnership Debenture
 Other - (Specify) Promissory Note

Dollar Amount To Be Invested: \$ 167,200.00

IMPORTANT: ACCOUNT OWNER MUST COMPLETE ANY SUITABILITY QUESTIONS AND SIGN THE QUESTIONNAIRE, THE SUBSCRIPTION AGREEMENT, AND ANY OTHER APPLICABLE DOCUMENTS BEFORE MILLENNIUM TRUST COMPANY, LLC CAN PROCESS THE INVESTMENT. ALSO SEE MILLENNIUM TRUST COMPANY, LLC REQUIREMENTS ON REVERSE.

Millennium Trust Company, LLC:

I direct Millennium Trust Company, LLC (Millennium) to execute the purchase of the above-named investment for the benefit of my self-directed account and in doing so, I hereby make the following representations:

- a. That I have read and understand all offering information pertaining to the purchase of the investment;
- b. That I have reviewed and approved all of the terms of the investment;
- c. That I understand that Millennium had not evaluated or given any advice with respect to the investment;

PLEASE READ, CONFIRM AND INITIAL THE FOUR FOLLOWING REPRESENTATIONS:

R.A.
INITIAL

That I understand that certain transactions are prohibited for tax-exempt retirement arrangements under Internal Revenue Code Section 4975 and ERISA. I further understand that the determination of whether the transaction directed hereby is a prohibited transaction or "party in interest" transaction depends on the facts and circumstances surrounding the purchase. I warrant and represent that I have consulted with such advisors as deemed necessary and appropriate, and have determined among other things, that this investment does not constitute a prohibited transaction as defined in Internal Revenue Code 4975, and that the offering entity or any affiliate thereof is neither a "disqualified person" (as defined in Section 4975(e)(2) of the Internal Revenue Code) nor a "party of interest" (as defined in Section 3(14) of ERISA);

R.A.
INITIAL

That none of the principals/shareholders of the investment referenced above are my Broker, Agent, Investment Advisor or paid consultant and that I understand that if in fact that was the case, that the transaction could in fact be considered a prohibited transaction. I hereby hold Millennium harmless should the individual offering of investment to me be considered to be any of the above classifications of "Investment Advisor" now or in the future.

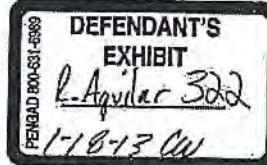
R.A.
INITIAL

That should the above referenced investment produce income subject to Unrelated Business Taxable Income (UBTI) that I understand and I must file a 990-T tax return and authorize my retirement account to pay the tax on such income. I hereby indemnify Millennium and hold Millennium harmless for production of this tax form and payment of said tax.

R.A.
INITIAL

That I have read and reviewed each representation made within the subscription agreement and/or related documents, which I have signed on behalf of the investment referenced above, and that I specifically agree to the same.

ROSEMANN 001534



ROSEMAN 001535

retirement plan(s) financial information which may be considered a part of the subscription agreement which I requesting that Millennium now sign as custodian on behalf of my self-directed retirement plan.

- d. That I have investigated the maker of the investment and have reasonably concluded that the maker is of sufficient financial strength to repay the investment if this is required of this investment (e.g., promissory note, debenture, etc.);
 - e. That I meet the suitability requirements of the offering indicated (if any);
 - f. That I understand that Millennium shall be under no obligation to notify me in the event of a default in repayment of the note or obligation connection herewith. I agree to indemnify and hold Millennium harmless from any claim which may be made by reason of this investment;
 - g. That I acknowledge that any administrative review performed by Millennium on the above offering was solely to determine that investment is administratively feasible for Millennium under the above-referenced account. I further acknowledge that this review was a due diligence review, and that Millennium has not rendered any investment advice, nor has Millennium expressed any opinion as to the prudence or viability of the investment. I agree to hold Millennium harmless from any liability for any loss, damage, injury or expense which may occur as a result of the execution of this Investment Direction;
 - h. I choose to use the following service company or escrow agent to service all aspects of this investment. (Do not indicate Millennium Trust Company, LLC) If I have not completed this section, I understand that it is my sole responsibility to service all aspects of this investment.
- Name: Martin T. Sigillito Associates, Ltd.
Address: 5710 Chardonlelet Ave, Suite 208 St Louis, MO 63111
Phone Number: (314) 725-4175 Agent Name: Martin T. Sigillito
A copy of this servicing agreement must be provided to Millennium Trust Company, LLC;
- i. That I agree that I will immediately notify Millennium in the event of any of the foregoing representation are no longer true.

MILLENNIUM TRUST COMPANY, LLC REQUIREMENTS:

- * The investment should be titled "Millennium Trust Company, LLC FBO (Insert Client's Name) Account Number (Insert Millennium Trust Company, LLC Account Number)." Millennium Trust Company, LLC's tax identification number which is 36-4400066, not the client's social security number, should be used.
- * Millennium Trust Company, LLC must be provided with the original note or corporate obligation and any endorsements.
- * If applicable, Millennium Trust Company, LLC must be supplied with an amortization schedule and, if other than a new note or obligation, must have a statement from the current trustee or servicing agent regarding the status of the payments.
- * A minimum of \$500 of money market deposits must be kept in the Millennium Trust Company, LLC account at all times in addition to any private placement holdings.
- * A non-refundable administrative review fee of \$175 (for stocks, bonds, limited partnerships, etc.) or \$125 (for mortgage notes, promissory notes and real estate purchases) may apply depending on the nature of the offering.

I undersigned hereby agrees to the above requirements and confirms the representations, including paragraphs a through i.

ACCOUNT OWNER SIGNATURE

Richard Cognetti

Date

7/26/15

ROSEMAN 001535

ROSEMANN 001532



MILLENNIUM TRUST
COMPANY, LLC

mailed to
FBI in Chicago
Office 5/13/14

Date 5/8/15

820 Jorie Blvd
Suite 420
Oak Brook, IL 60523
Phone: 630.368.5600
Fax: 630.368.5699

www.mtrustcompany.com

NOTE SERVICING AGENT AGREEMENT

Joint Owner's Name Richard Aguilar
Millennium Trust Company, LLC Account No. 90-B-402-015

Telephone No.
good and valuable consideration, this Note Servicing Agent Agreement is hereby entered into by and between Richard Aguilar (hereinafter referred to as "Accountholder") and Martin I. Signito Associates (hereinafter referred to as "Agent").

Agent hereby agrees to accept all responsibilities and duties necessary to effectively administer the following promissory note held for the benefit of designated Accountholder by Millennium Trust Company, LLC (Millennium).

Date of Note: May 9, 2004

Maker: Princess Hotels Management, Ltd.

Amount of Note: \$167,200.00

Payment Frequency: Annual

Maturity Date: May 8, 2005 Interest Rate: 24.5%

Note Servicing Agent, the undersigned shall perform all duties and exercise all discretions as permitted in the provisions of the Note in order to effect the rights of the Accountholder and assure timely collection of payments. Specific duties of Agent shall include, but not be limited to:

Production and maintenance of an amortization schedule for payments in accordance with the terms of the Note, a copy of which shall be furnished to Millennium;

Collect payments from Maker made payable to "Millennium Trust Company, LLC FBO Richard Aguilar
Account No. 90-B-402-015";

Break down payment amounts into interest and principal reduction and communicate this information to Millennium;

Forward all payments to Millennium within two (2) working days to the following address: 820 Jorie Blvd Ste 420 Oak Brook IL 60523;

Confirm that Maker holds clear title to any collateral assigned under the Note; and then prepare and file any evidence of lien on collateral, including the filing and proper registration of any deed of trust or other title to property securing the Note;

Preparation of any governmental reporting of interest paid by Maker which may have to be reported to the Internal Revenue Service on Form 1099; After preparation, this form should be forwarded to Millennium for filing by the appropriate due date;

Collection and maintenance of any required escrow funds for the purpose of paying insurance and taxes on Note collateral;

Collection of any rents, royalties, or other sums assigned as security for the Note;

Promptly communicate in writing with Maker regarding all matters pertaining to the Note, including notice and collection of past due payment, the amount of past due penalty, if any, and enforcement of any security therefor;

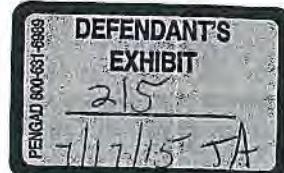
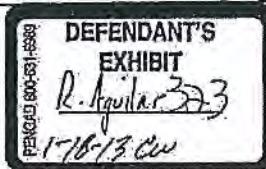
Initiate collection procedures upon notice of default by Maker, as defined in the Note, including the initiation of any necessary legal action required to enforce any guarantees or otherwise ensure Maker's performance on the Note;

Enforce all rights against Maker, following notice of and failure to timely cure any default (as provided in the Note), including, without limitation, foreclosure of any mortgage or other legal proceedings in order to claim title to any collateral securing the Note, or initiate legal action to obtain judgment against Maker in the case of an unsecured Note; and

Keep complete and accurate records of all transactions, collection and enforcement efforts and other matters relating to the Agent's obligations hereunder, and promptly provide copies of such records to Accountholder and Millennium upon request.

As consideration for the services provided herein, Accountholder agrees to pay fees to Agent as follows:

ROSEMANN 001532



ROSEMANN 001533

Page showing page no.

above fee schedule may be amended by Agent from time to time upon prior written notice to Accountholder.

⁵ Agreement shall be effective for a term not to exceed the life of the Note(s) to which it applies. The life of the Note shall be defined as the period during which any amount of principal and/or interest remain unpaid under the terms of the Note, even if said period extends beyond the maturity Date of the Note. This Agreement shall automatically terminate upon the final payment at maturity of the Note, or upon early prepayment as provided in the Note.

ounholder, by signing this Agreement releases Millennium from all duties and responsibilities of administering the terms of the Note. All duties
onsibilities for administration of the Note shall vest in the Agent. Said Agent shall be an agent for the benefit of Accountholder, and shall
med to be an agent or affiliate of Millennium.

int and Accountholder hereby indemnify and save harmless Millennium, its employees and assigns from all suits, actions, or claims of any character or description brought or made for or on account of, arising out of, or occasioned by the acceptance of the Note as an investment of the Accountholder in the operations, performance, or negligent acts of Agent in the execution or performance of this Agreement.

Millennium shall have no responsibility to question the actions of Agent in its performance of the duties outlined in this Agreement, nor shall Millennium be liable for any loss of any kind which may result by reason of any action taken by Agent, Accountholder, or both in regard to the performance of the services.

ent shall not assign his rights and obligations hereunder. Subject to the foregoing, all of the terms and conditions of this Agreement shall be binding and insure to the benefit of the heirs, successors, administrators, legal representatives and assigns as the case may be, of the parties hereto. In the event that for any reason, Agent is unable or unwilling to perform the duties outlined herein, then Accountholder shall assume responsibilities for said duties until such time as a successor Agent has been appointed.

Accountholder may terminate this Agreement immediately upon written notice at any time. Agent may terminate this Agreement upon not less than (15) days prior written notice. Upon termination, Accountholder agrees to appoint a successor Agent within thirty (30) days. Until a successor Agent is appointed, Accountholder shall be responsible for the duties of administering the Note as provided herein. Following termination, Agent shall provide notice to Maker that all Note payments thereafter be paid directly to Accountholder or such substitute Agent as Accountholder may nominate and shall forward to Accountholder all payments received on account of Accountholder. Upon request of Accountholder, Agent shall forward to Accountholder all books, records, ledgers, correspondence, files and other materials in Agent's possession or control with respect to the Note and the underlying transaction.

⁵ Agreement contains the entire understanding of the parties hereto with respect to the subject matter contained herein, supersedes all prior contemporaneous agreements. This Agreement may be amended upon the prior written consent of the parties.

SIGNING THIS AGREEMENT, ACCOUNTHOLDER UNDERSTANDS THAT MILLENNIUM SHALL NOT BE REQUIRED TO PRO-
AN SERVICING, INCOME OR RENT COLLECTION, VERIFICATION OF INSURANCE COVERAGE OR TAX PAYMENTS
LATERAL, PURSUE COLLECTION, INSTIGATE LITIGATION, OR TAKE ANY OTHER ACTION WITH REGARD TO THE NOTE(S)
WHICH THIS AGREEMENT APPLIES EXCEPT AT THE EXPRESS DIRECTION OF AGENT OR ACCOUNTHOLDER.

e of Note: May 9, 2004

ued to by Agent and executed this _____ day of _____, 20____

ent Name: Martin T. Sigillito

Mailing Address: 7710 Camonilet Ave., Suite 208
St. Louis, Mo. 63115

Telephone Number: 314-725-7175

At Signature:

ced to by Accountholder and executed this _____ day of _____, 20____

lownholder Signature: Kurt and Glynne

ROSEMANN 001533

Case: Phil Rosemann, et al. v. St. Louis Bank

4:14-CV-00983

Transcript of: Clark Amos

Date: July 29, 2015

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Clark Amos

Phil Rosemann, et al. v. St. Louis Bank

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In the United States District Court
Eastern District of Missouri
Eastern Division

PHIL ROSEMANN, et al.,

PLAINTIFFS,

vs. Cause No. 4:14-CV-00983

ST. LOUIS BANK,

DEFENDANTS.

Deposition of CLARK AMOS
On behalf of DEFENDANT
JULY 29, 2015

Gore, Perry, Gateway & Lipa Reporting Co.
515 Olive St., Suite 300
St. Louis, Missouri 63101
314-241-6750

Clark Amos

Phil Rosemann, et al. v. St. Louis Bank

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1 In the United States District Court

2 Eastern District of Missouri

3 Eastern Division

4

5 PHIL ROSEMANN, et al.,

6

7 PLAINTIFFS,

8

9 vs. Cause No. 4:14-CV-00983

10

11 ST. LOUIS BANK,

12

13 DEFENDANT.

14

15 Deposition of CLARK AMOS, taken on
16 behalf of the DEFENDANT, at Polsinelli, PC, 100
17 South Fourth Street, Suite 1000, St. Louis,
18 Missouri, on JULY 29, 2015, before Margaret M.
19 Clodius, Missouri CCR #948, and Notary Public
20 within and for the State of Missouri.

21

22

23

24

25

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1 Q. (By Mr. Campbell) I'm showing you Exhibit
2 289, it is a set of stipulations that we have been
3 using in these depositions concerning some facts,
4 and what I want you to do is read through those and
5 tell me whether each of those are true, to your
6 knowledge.

7 **A.** Do you want me to do them one at a time or
8 all together.

9 Q. Either way.

10 **A.** No. 1, I couldn't confirm or deny whether
11 they had knowledge of the Ponzi scheme.

12 Q. So that would be correct, that statement
13 in No. 1, would that be accurate?

14 A. Yes. I don't like the way it's written.

15 Q. I understand. But it's still accurate,
16 correct?

17 A. Yes.

18 Q. And how about statement No. 2, stipulation
19 No. 2?

20 A. Could we go off the record for a minute?

21 Q. Certainly?

22 (Off the record)

23 Q. (By Mr. Campbell) Why don't you continue
24 through the stipulations and let us know.

25 **A.** Just ask me the question again and I'll

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1 answer it.

2 Q. Can you go through the stipulations in
3 Exhibit 289 and tell me which ones are correct as
4 to you?

5 A. No. 1 is correct, No. 2 is correct, No. 3
6 is correct, 4 is correct, 5 is correct, 6 and 7 are
7 correct.

8 Q. Thank you. When you finally received, in
9 about October of 2009, the loan agreement that
10 contained the financial statement or Asset and
11 Liability Statement of Derek Smith, did you ask for
12 copies of any documents that would verify any of
13 the dollar amounts that appeared in that Asset &
14 Liability Statement?

15 A. I did not.

16 Q. When did you first discover that there was
17 a Ponzi scheme?

18 A. I think it was the day his office was
19 raided by the FBI, I think, right around there.

20 Q. How did that come to your attention?

21 A. Mark Merlotti called me, I was in Arizona.

22 Q. Did he tell you how he learned that?

23 A. I don't recall that he did, it was
24 probably radio or newspaper, I guess, something
25 like that.

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1 **Q.** The loan agreement?

2 **A.** The loan agreement, I said "where is it",
3 and as I see now, it was a bunch of lies, but he
4 said that it had to be prepared, it had to go to
5 England it had to be signed by Derek, it had to be
6 sent back and as we know now, he, I don't know
7 Lynn's name on here, she should know, I know she
8 knows it's on here because I told her it was, I
9 don't know whether it was prepared in his office or
10 Marty's office, but he got it back to Stajduhar.

11 **Q.** Liz Stajduhar?

12 **A.** Yes, she had e-mailed and said that it was
13 going to be forthcoming, but the money had already
14 gone to Marty's account.

15 **Q.** Here's my question, though; at the time
16 you made your \$250,000 investment, did you ask
17 Martin Sigillito to give you any wire transfer
18 confirmation or canceled checks showing what he did
19 with your money?

20 **A.** No, I didn't.

21 **Q.** And why did you not ask for that?

22 **A.** It was clear what he was supposed to do
23 with it, I never -- let me answer it this way; I
24 never ask any lawyer that I've worked with to give
25 me wire confirmation of what they did with the

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1 properties, would you have made the loan?

2 **A.** Well, you asked me that before, I, it's
3 speculation, probably not, but you know, I don't
4 know for sure, you know, if they could have showed
5 me a statement that said they had 500 million
6 dollars cash and they're going to use this money to
7 speculate on something, I might, I could have done
8 it, I thought it would be repaid, I didn't think it
9 would be stolen.

10 **Q.** Is it fair to say that at the time you
11 made the loan, you could have done some research to
12 determine who actually owned the properties?

13 **A.** Yes.

14 **Q.** And is it fair to say that -- strike that.
15 Tell me about the background check that you could
16 have ordered on Mr. Smith.

17 **A.** Well, I would have probably hired a firm
18 that does background checks and I would have looked
19 at it and I don't know what it said, I never did
20 one, but it probably would have been positive
21 and/or negative and I would have made a decision on
22 whether this is worth the risk.

23 **Q.** Have you ever used a firm that does
24 background checks before?

25 **A.** Yes, I don't know the name, but I call one

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1 of my lawyers and they contract with them and the
2 information comes back.

3 Q. Before you made the loan, did you ask to
4 see any certified or audited financial statements
5 for Derek Smith?

6 A. I don't think I asked for audited, I just
7 said I wanted financial statements.

8 Q. Tell me about --

9 A. Let me add this; sometimes there's an
10 implication when you look at statements if they
11 aren't audited or certified you might ask them to
12 be, you know, just depends, you know, this whole
13 situation was based on trust, it wasn't based on
14 common sense, but if I was running a corporation,
15 they would fire me.

16 Q. Tell me about your discussions with Lynn
17 Whaley Vogel.

18 A. It was very brief, I called her up, asked
19 her why her name was on this, I was shocked when I
20 saw her name was on this, and --

21 Q. You're referring to the loan agreement?

22 A. The loan agreement, I couldn't figure out
23 why she sent me back an e-mail that said she knew
24 absolutely nothing about it and she was going to
25 turn this information over to whoever handled

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1 loan agreement that you received, there's a listing
2 for Hinton Grange Hotel at 3.2 million pounds, do
3 you see that?

4 **A.** Yes.

5 **Q.** And then there is a loan listed for one
6 million pounds.

7 **A.** Right.

8 **Q.** Did you ask before you made your loan for
9 any information about how much debt was secured by
10 the Hinton Grange property?

11 **A.** I did not.

12 **Q.** Why not?

13 **A.** I think at that point I had just, like I
14 said, those last few moments, I just said "okay,
15 I'll do it".

16 **Q.** Did you ask before you made your loan for
17 information concerning the total amount of loans
18 that had been placed into the British Lending
19 Program?

20 **A.** No, I did not.

21 **Q.** Had you asked for that information in 2009
22 and found out that there were tens of millions of
23 dollars that had been made in loans into the
24 British Lending Program, would that have given you
25 any concerns about making your loan?

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1 something like this, you would want it two or three
2 to one.

3 Q. Did you ask Mr. Sigillito or any of the
4 other people what the debt service coverage ratio
5 was for this --

6 A. I did not.

7 Q. And had you asked for that information and
8 it was provided to you and it showed that the debt
9 service coverage ratio was actually upside down, in
10 other words, that the loan to value ratio was
11 something more like two or 300 to 100 or two or
12 three to one or higher, would you have made the
13 loan?

14 A. I probably would not have done it.

15 Q. And is it -- strike that. Did you ever
16 talk to anyone at St. Louis Bank before you made
17 the loan?

18 A. No.

19 Q. Did you ever tell --

20 A. Let me take that back. It's possible that
21 right before I made the loan, I might have talked
22 to Julie Ohms about --

23 Q. What would you have talked to her about?

24 A. About wire instructions, but as far as an
25 officer of the bank or something like that, no.

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1 **Q.** Do you remember talking to Julie Ohms?
2 **A.** No, but I know that I had to wire the
3 money over and generally when I wire money, I talk
4 to someone and say "I'm sending a wire", you know,
5 "I want to get a receipt, confirmation", it came
6 through, because I know that I have an e-mail, I
7 have an e-mail from Julie Ohms.

8 **Q.** Did you know Julie Ohms --

9 **A.** No.

10 **Q.** -- before you talked to her about a wire
11 transfer?

12 **A.** No, I did not.

13 **Q.** Do you specifically remember talking to
14 Julie Ohms about the wire transfer?

15 **A.** No, I don't.

16 **Q.** Did you tell Julie Ohms what the purpose
17 of your wire transfer was?

18 **A.** No.

19 **Q.** Did you give Julie Ohms or anyone at St.
20 Louis Bank any information about where you thought
21 your \$250,000 investment was going to go?

22 **A.** No.

23 **Q.** And did you ever tell anyone at St. Louis
24 Bank to monitor your loans or loan in the IOLTA
25 account in any way?

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1 **A.** No.

2 **Q.** And did you expect St. Louis Bank or
3 anyone at St. Louis Bank to actually monitor your
4 loan proceeds in the IOLTA account to make sure
5 that it went to a specific purpose?

6 **A.** Only to this extent, if they saw activity
7 in his account that was suspicious, you know, you
8 get money in a trust account, it's going out, money
9 in a trust account going out and it's always going,
10 I suspect, to Marty, maybe he's sending it
11 somewhere else, I don't know, I don't have an
12 answer to that, you know, they might want to say
13 "hey, what's going on", there's some responsibility
14 at that level.

15 **Q.** Can you point to any information that St.
16 Louis Bank received that would tell St. Louis Bank
17 what your intended loan was going to be?

18 **A.** I don't think so.

19 **Q.** In other words, did you say anything to
20 Julie Ohms at all?

21 **A.** No, I didn't.

22 **Q.** And did you provide them with any
23 documents --

24 **A.** Well, I sent --

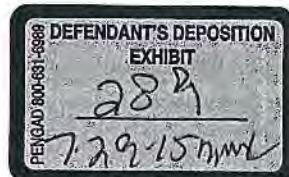
25 **Q.** -- other than the wire transfer?

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

PHIL ROSEMANN, et al.,)
Plaintiffs,) Case No. 4:14-cv-00983-LRR
v.) Judge: Honorable Linda R. Reade
ST. LOUIS BANK,) (Chief Judge Dist. Ct. N. Dist. Iowa)
Defendant.)
)

STIPULATIONS

1. Plaintiff Clark Amos has no personal knowledge or evidence that St. Louis Bank had any knowledge whatsoever of the Ponzi scheme that was operated by Martin Sigillito, MTSA, or the British Lending Program.
2. Plaintiff Clark Amos has no evidence or personal knowledge of St. Louis Bank being aware of any facts whatsoever that would have put St. Louis Bank on notice to the fraudulent nature of the British Lending Program, the British Lending Program loans, or the Ponzi scheme operated by Martin Sigillito, MTSA, or any participants in the British Lending Program.
3. Plaintiff Clark Amos never had any contact whatsoever with St. Louis Bank or any employees of St. Louis Bank, including regarding Plaintiffs' investments in the British Lending Program or any accounts held by Plaintiff, and therefore has no personal knowledge of St. Louis Bank being aware of any actions that were to be taken with Plaintiffs' investments and/or funds.
4. Plaintiff Clark Amos never requested or received relating to the British Lending Program, British Lending Program investments, Derek Smith, Distinctive Properties (UK) Limited, any Financial Statements, tax returns, property tax records, title insurance policies, title reports, cancelled checks, wire transfers, bank account statements, appraisals, property records including Deeds of Trust, or Mortgages, and did not request or receive a closing by a title company for his loan.
5. Plaintiff Clark Amos has no personal knowledge that St. Louis Bank directed, operated, or managed the BLP.
6. Plaintiff Clark Amos has no personal knowledge that St. Louis Bank directed, operated or managed British American Group.



7. Plaintiff Clark Amos has no personal knowledge that St. Louis Bank directed, operated or managed the Martin Sigilitto, MTSA, Derek Smith.

Case: Phil Rosemann, et al. v. St. Louis Bank

4:14-CV-00983-LRR

Transcript of: Preston Amos

Date: July 22, 2015

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Preston Amos

Phil Rosemann, et al. v. St. Louis Bank

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In the United States District Court
Eastern District of Missouri
Eastern Division

PHIL ROSEMAN, et al.,

PLAINTIFFS,

vs. Cause No. 4:14-CV-00983-LRR

ST. LOUIS BANK,

DEFENDANTS.

Deposition of PRESTON AMOS
On behalf of DEFENDANT
JULY 22, 2015

Gore, Perry, Gateway & Lipa Reporting Co.
515 Olive St., Suite 300
St. Louis, Missouri 63101
314-241-6750

Preston Amos

Phil Rosemann, et al. v. St. Louis Bank

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1 In the United States District Court

2 Eastern District of Missouri

3 Eastern Division

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5 PHIL ROSEMANN, et al.,

6

7 PLAINTIFFS,

8

9 vs. Cause No. 4:14-CV-00983-LRR

10

11 ST. LOUIS BANK,

12

13 DEFENDANT.

14

15 Deposition of PRESTON AMOS, taken on
16 behalf of the DEFENDANT, at Polsinelli, PC, 100
17 South Fourth Street, Suite 1000, St. Louis,
18 Missouri, on JULY 22, 2015, before Margaret M.
19 Clodius, Missouri CCR #948, and Notary Public
20 within and for the State of Missouri.

21

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1 **Q.** Did you ever obtain any other loan
2 agreements?

3 **A.** No.

4 **Q.** You did not receive any title reports or
5 title commitments before you made your investment,
6 if you had received a title report or title
7 commitment that showed that the properties for
8 which you were making your investment in the
9 British Lending Program were not actually owned by
10 Derek Smith or Distinctive Properties, would you
11 have made your investment?

12 **A.** I don't know, and the reason I say it is,
13 if I remember correctly, some of the funds were to
14 be used to acquire properties, so some of the
15 properties may already have been held by
16 Distinctive Properties and Derek and others may be
17 going to be purchased.

18 **Q.** Did you ask for or receive any sale
19 contracts for any of these properties that would
20 show that the properties were under contract to be
21 purchased?

22 **A.** No.

23 **Q.** So you had no way of knowing whether or
24 not the money you were loaning would actually be
25 used for the purchase of those properties if you

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1 have a lot of contact with him, that he was kind of
2 a Jack of all trades of intellectual capabilities,
3 I can't remember what his faith was, but he was a
4 church member, that he was an attorney, that he had
5 the ability to speak multiple languages, et cetera,
6 et cetera.

7 Q. Did you obtain any financial statements
8 concerning Martin Sigillito before you made your
9 investment?

10 A. No.

11 Q. Did you obtain any financial statements of
12 Derek Smith before you made your investment?

13 A. I'm trying to remember if the agreement I
14 signed included a financial statement, it may have,
15 I can't remember.

16 Q. Now, the agreement that you're referring
17 to, would that be a loan agreement that you
18 obtained from Mr. Sigillito?

19 A. Yes.

20 Q. Did you obtain that loan agreement after
21 you made your investment or before?

22 A. It was after.

23 Q. So if the loan agreement contained a
24 financial statement for Derek Smith, you did not
25 see it until after you made your investment, is

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1 that correct?

2 **A.** Correct.

3 **Q.** So before you made your investment, did
4 you ask for any financial statements on Derek
5 Smith?

6 **A.** I don't think so.

7 **Q.** Before you made your investment, did you
8 receive any financial statements at all on Derek
9 Smith or his company?

10 **A.** No, but I did discuss with Marty the
11 financial capabilities of him.

12 **Q.** What did Marty tell you about the
13 financial capabilities of Derek Smith before you
14 made your investment?

15 **A.** That he was a wealthy guy, a successful
16 developer, but in terms of net worth and financial
17 statement.

18 **Q.** What net worth did he tell you Derek Smith
19 had?

20 **A.** I don't remember.

21 **Q.** So if I understand you correctly, you made
22 your investment on the basis of Martin Sigillito
23 telling you that this wealthy guy was going to
24 develop a piece of property or properties in
25 England and that he either owned them or was going

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1 **A.** No.

2 **Q.** Did it occur to you before you made your
3 investment that what Mr. Sigillito was telling you
4 might not be true?

5 **A.** No, it didn't.

6 **Q.** Looking back on it today, do you wish you
7 would have looked into this further before you made
8 your investment?

9 **A.** Absolutely.

10 **Q.** Did you ever ask for any appraisals of the
11 properties in England before you made your
12 investment?

13 **A.** No.

14 MR. VITULLO: We'll stipulate to this line
15 of questioning, that's one of the stipulations. I
16 think it's the last one.

17 MR. CAMPBELL: Actually the stipulation is
18 that he never requested or received -- well, I
19 guess that would be sufficient. Let's mark that as
20 Exhibit 235.

21 (Defendant's Exhibit 235 marked for
22 identification)

23 **Q.** (By Mr. Campbell) I'll let you look it
24 over first, if you need to take a break, please
25 feel free to do so.

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1 A. Okay.

2 WITNESS: Am I reading all of this or?

3 MR. VITULLO: No. 6, No. 6.

4 WITNESS: Okay.

5 MR. CAMPBELL: Let's go off the record.

6 (Recess)

7 Q. (By Mr. Campbell) I'm showing you Exhibit
8 235, this is a set of stipulations that we've
9 prepared concerning various facts on which you
10 would testify and we prepared it for the purpose of
11 helping to speed the process of taking your
12 deposition. You've read these stipulations off the
13 record, can you and your attorney both tell me that
14 these stipulations are accurate and you can agree
15 to those?

16 A. They are accurate and I agree to them.

17 MR. VITULLO: So stipulated.

18 Q. (By Mr. Campbell) Thank you. With regard
19 to stipulation No. 6, you stipulated, of course,
20 that you did not request appraisals concerning the
21 property before you made your investment, looking
22 back on it, do you wish you would have requested
23 appraisals?

24 **A.** I can't, I can't say, I'm not sure it
25 would have had --

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1 securing your loan at the time you made the
2 investment?

3 **A.** I don't know, I believe Derek Smith was
4 going to be securing the loan.

5 **Q.** When you say Derek Smith was going to
6 secure the loan, you mean he was guaranteeing it?

7 **A.** Yes.

8 **Q.** And did you ask Katherine Winter any --
9 strike that. You stipulated that you did not
10 request any financial statement or receive them for
11 Derek Smith before you made your investment?

12 **A.** Yes.

13 **Q.** If you had obtained an audited or
14 certified financial statement from Derek Smith
15 before you made your investment and if it had shown
16 that his net worth was drastically lower than what
17 was represented to you, would you have made your
18 investment?

19 **A.** I don't know.

20 **Q.** And why don't you know?

21 **A.** Because I was investing my equity.

22 **Q.** What does that mean?

23 **A.** Meaning I wasn't borrowing debt to give it
24 to someone else, so the return on that investment
25 could be variable, but I don't know, I don't know

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1 **Q.** Did you ever obtain any other loan
2 agreements?

3 **A.** No.

4 **Q.** You did not receive any title reports or
5 title commitments before you made your investment,
6 if you had received a title report or title
7 commitment that showed that the properties for
8 which you were making your investment in the
9 British Lending Program were not actually owned by
10 Derek Smith or Distinctive Properties, would you
11 have made your investment?

12 **A.** I don't know, and the reason I say it is,
13 if I remember correctly, some of the funds were to
14 be used to acquire properties, so some of the
15 properties may already have been held by
16 Distinctive Properties and Derek and others may be
17 going to be purchased.

18 **Q.** Did you ask for or receive any sale
19 contracts for any of these properties that would
20 show that the properties were under contract to be
21 purchased?

22 **A.** No.

23 **Q.** So you had no way of knowing whether or
24 not the money you were loaning would actually be
25 used for the purchase of those properties if you

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1 had not seen sale contracts, is that correct?

2 **A.** I did not.

3 **Q.** Is that correct?

4 **A.** That is correct.

5 **Q.** So when you made your investment, you did
6 not ask for or receive any wire transfers showing
7 where your money had gone, if you had requested
8 wire transfer confirmations or canceled checks, for
9 instance, that showed where your money was going
10 and if it would have shown that it was going to
11 uses other than Distinctive Properties and Derek
12 Smith, would you have made your investment?

13 **A.** Can I clarify?

14 **Q.** Certainly.

15 **A.** I, if I remember, I don't know if you have
16 a copy of the check that was provided, but I think
17 it was made out to Martin Sigillito, so there was,
18 it was assumed that the funds, I won't say
19 "assumed", it was my understanding that they would
20 be used for the purposes explained to me, but if I
21 remember, Marty would hold the funds and then he
22 would send them to Distinctive Properties or Derek.

23 MR. CAMPBELL: Let me have this marked as
24 Exhibit 237, if I may.

25 (Defendant's Exhibit 237 marked for

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1 identification)

2 Q. (By Mr. Campbell) I'm showing you what
3 has been marked as Exhibit 238, it is the identical
4 agreement that your attorneys produced to us as the
5 agreement that we marked as Exhibit 236 with the
6 exception that Exhibit 236 had the Government
7 Exhibit label, if you will, from the criminal trial
8 of Mr. Sigillito, and Exhibit 238, which you
9 produced through your attorneys, does have the
10 Asset & Liability Statement of Derek Smith attached
11 to it, do you see that?

12 A. I'm getting to it. Yes.

13 Q. And now you've stipulated that you did not
14 request any certified or audited financial
15 statements for Derek Smith, did you ever ask to see
16 any information that would back up the Asset and
17 Liability statement for Derek Smith that you
18 received after you made your investment?

19 A. No, I didn't.

20 Q. And you did not do so before you made your
21 investment, correct?

22 A. Correct.

23 Q. So when you made your investment, you did
24 not know that Derek Smith actually was worth 30
25 million pounds or whether he was worth 100 pounds,

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1 **Q.** Where did you think he was going to
2 disburse those funds?

3 **A.** To Distinctive Properties or Derek Smith
4 or both, I guess, I thought of them as the same
5 person.

6 **Q.** After you made this \$50,000 investment,
7 did you ever ask Mr. Sigillito to provide you with
8 any information that would confirm that Derek Smith
9 or Distinctive Properties actually received this
10 money?

11 **A.** I did not.

12 **Q.** Did you ever talk to Derek Smith?

13 **A.** No.

14 **Q.** Did you ever contact anyone in England
15 before you made this investment?

16 **A.** No.

17 **Q.** Did you ever talk to anyone other than
18 Martin Sigillito before you made the decision to
19 invest?

20 **A.** I talked to my father.

21 **Q.** And did your father think that this was a
22 good investment?

23 **A.** He did.

24 **Q.** And was it on the same basis, to your
25 understanding, as you thought it was a good

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

PHIL ROSEMAN, et al.,

)

Plaintiffs,

) Case No. 4:14-cv-00983-LRR

v.

) Judge: Honorable Linda R. Reade
(Chief Judge Dist. Ct. N. Dist. Iowa)

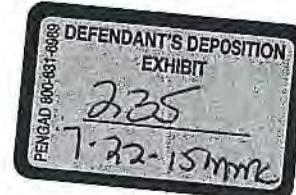
ST. LOUIS BANK,

)

Defendant.

)

)



STIPULATIONS

1. Plaintiff Preston Amos has no personal knowledge or evidence that St. Louis Bank had any knowledge whatsoever of the Ponzi scheme that was operated by Martin Sigillito, MTSA, or the British Lending Program.
2. Plaintiff Preston Amos has no evidence or personal knowledge of St. Louis Bank being aware of any facts whatsoever that would have put St. Louis Bank on notice to the fraudulent nature of the British Lending Program, the British Lending Program loans, or the Ponzi scheme operated by Martin Sigillito, MTSA, or any participants in the British Lending Program.
3. Plaintiff Preston Amos never had any contact whatsoever with St. Louis Bank or any employees of St. Louis Bank, including regarding Plaintiffs' investments in the British Lending Program or any accounts held by Plaintiff, and therefore has no personal knowledge of St. Louis Bank being aware of any actions that were to be taken with Plaintiffs' investments and/or funds.
4. Plaintiff Preston Amos never relied on St. Louis Bank to monitor or investigate his investments in the British Lending Program.
5. Plaintiff Preston Amos provided Martin Sigillito full authority to make investments and transfer funds on his behalf, and never revoked that authority throughout the operation of the British Lending Program.
6. Plaintiff Preston Amos never requested or received relating to the British Lending Program, British Lending Program investments, Derek Smith, Distinctive Properties (UK) Limited, any Financial Statements, tax returns, property tax records, title insurance policies, title reports, cancelled checks, wire transfers, bank account statements, appraisals, property records including Deeds of Trust, or Mortgages, and did not request or receive a closing by a title company for his loan.

Case: Phil Rosemann, et al. v. St. Louis Bank

4:14-CV-00983-LRR

Transcript of: Henry Barthel

Date: July 10, 2015

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1 **A** January. It might have been in January. We
2 couldn't get in to see him.

3 **MRS. BARTHEL:** That was 2010.

4 **A** He was always busy. We couldn't get to see
5 him.

6 **Q** (By Mr. Campbell) So before you made your
7 investment, did you obtain any information at all
8 from St. Louis Bank?

9 **A** From St. Louis Bank? No. I never heard of
10 St. Louis Bank.

11 **Q** So when is the first time you heard the
12 words "St. Louis Bank"?

13 **A** Through the course of these procedures.

14 **Q** This lawsuit?

15 **A** Yeah.

16 **Q** And can you tell me in your own words, if
17 you know, why it is that you think St. Louis Bank
18 caused you harm?

19 **A** I don't know. I mean, I don't know.

20 That's --

21 **Q** Are you relying on your attorneys for that?

22 **A** I'm relying on the attorneys and you to
23 prove it. And the judge has to decide what's right,
24 I guess.

25 **Q** So as you sit here today, you don't know of

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1 **A** No, we didn't. Can I ask what for?

2 **Q** (By Mr. Campbell) Well, it is my
3 understanding, but it may not be correct, that he
4 had a charge related to serving alcohol in an
5 establishment called Go Go Cabaret in Ohio, but I do
6 not know anything more than what appears in -- if
7 you Google search it then you'll find it, but you
8 did not know that; is that correct?

9 **A** No.

10 MRS. BARTHEL: No. He is in jail now?

11 MR. CAMPBELL: He's in jail now for 30 days.

12 THE WITNESS: He needs a lawyer.

13 MRS. BARTHEL: I thought that was over with.

14 MR. CAMPBELL: I couldn't tell you anything
15 about it, ma'am. But nevertheless, we need to
16 understand where we are.

17 THE WITNESS: All right.

18 **Q** (By Mr. Campbell) Have you ever had any
19 communications at all with St. Louis Bank or anyone
20 there?

21 **A** No, sir.

22 **Q** Have you ever seen a report that was written
23 by Paul Vogel?

24 **A** A report? Yes.

25 **Q** You did?

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1 **Q** Have you ever talked to anyone at St. Louis
2 Bank?

3 **A** No.

4 **Q** Did anybody at St. Louis Bank ever provide
5 you with any information that led you to make the
6 investment?

7 **A** No.

8 **Q** Before you made the investment, did you ask
9 to see pictures of the properties?

10 **A** No.

11 **Q** Before you made the investment, did you ask
12 to see any title insurance or title reports showing
13 who owns the properties?

14 **A** No.

15 **Q** Do you understand when you made the
16 investments that there was a man named Derek
17 Smith --

18 **A** No.

19 **Q** -- who was involved?

20 **A** No.

21 **Q** Now, when you made the investment, before
22 you made the investment if you had found out that
23 the borrower didn't really own the properties that
24 were involved, would you have made the investment?

25 MR. VITULLO: Objection.

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1 **A** In 2009. And we were really worried about
2 handing it -- we handed a check over to a stranger
3 at our door, a courier, you know.

4 **Q** So why did you decide to invest in the
5 British Lending Program if you didn't have all that
6 much information about it?

7 **A** What made me decide? I think based upon the
8 Aguilars' personal feelings were of the thing, their
9 personal experience with it, that they have been
10 getting this money on a regular basis.

11 **Q** So when you made the decision to invest the
12 \$50,000, did you ask to see any documents that would
13 describe the program?

14 **A** No. He said a contract will be coming. And
15 that contract did come sometime about two months
16 later.

17 **Q** Let me ask this: When you made your
18 investment, before you made your investment, did you
19 ask to see any appraisals for any properties that
20 might be involved?

21 **A** No.

22 **Q** Before you made your investment, did you ask
23 to see any tax returns for the borrower?

24 **A** No.

25 **Q** Before you made the investment, did you ask

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1 **A** Would you repeat that, please?

2 **Q** (By Mr. Campbell) Sure. If you had found
3 out before you made your \$50,000 investment that
4 Derek Smith and his company, Distinctive Properties,
5 did not own these properties, would you have made
6 the investment?

7 **A** Well, I don't know, because I never heard of
8 Derek Smith before.

9 **Q** Understood. Did you understand that you
10 were making a loan when you made the investment, or
11 did you understand it to be some sort of investment?

12 **A** I think it was an investment is the word I
13 would use. I didn't figure it was a loan. It was
14 an investment.

15 **Q** And it was an investment that would pay
16 13 percent interest per year?

17 **A** Yes.

18 **Q** Now, if -- strike that.

19 When you made your investment, did
20 you ask to see any cancelled checks or wire transfer
21 confirmations that showed where your money actually
22 went?

23 **A** No.

24 **Q** Before you made your investment, did you ask
25 to see any reports or documents concerning the